

Senate File 2288 - Enrolled

Senate File 2288

AN ACT
RELATING TO LIFE INSURANCE COMPANY OR ASSOCIATION INVESTMENTS
IN FOREIGN COUNTRIES OTHER THAN CANADA, AND INCLUDING
APPLICABILITY PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 511.8, subsection 19, Code 2022, is amended by striking the subsection and inserting in lieu thereof the following:

19. *Other foreign investments.*

a. Investments issued by, or investment practices with, a counterparty outside of either the United States or Canada of substantially the same type as those investments permitted for a life insurance company or association under this section, subject to the following conditions:

(1) The aggregate amount of foreign investments held by a life insurance company or association under this subsection does not exceed twenty percent of the life insurance company's or association's legal reserve.

(2) The aggregate amount of foreign investments held under this subsection by a life insurance company or association in a foreign jurisdiction that has a sovereign debt rating of SVO 1, as determined by the securities valuation office of the national association of insurance commissioners, does not exceed ten percent of the life insurance company's or association's legal reserves, and for all other foreign

jurisdictions does not exceed three percent of the life insurance company's or association's legal reserve.

b. Investments acquired under this subsection shall be aggregated with investments of the same type made in a similar manner under any other subsection of this section for purposes of determining compliance with any limitations contained in any other subsection of this section.

c. This subsection shall not limit or restrict investments in Canadian obligations and securities specifically authorized in any other subsection of this section.

d. This subsection shall not authorize investments issued, assumed, or guaranteed by a foreign government which has engaged in a consistent pattern of gross violations of human rights.

e. Eligible investments in foreign investments under this subsection are limited to the types of investments specifically referred to in this subsection.

Sec. 2. APPLICABILITY. This Act applies to funds invested by a life insurance company or association in a foreign country other than Canada on or after January 1, 2023.

JAKE CHAPMAN
President of the Senate

PAT GRASSLEY
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2288, Eighty-ninth General Assembly.

W. CHARLES SMITHSON
Secretary of the Senate

Approved _____, 2022

KIM REYNOLDS
Governor